

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:

CELSIUS NETWORK LLC, *et al.*,¹

Debtors.

)
) Chapter 11
)

) Case No. 22-10964 (MG)
)

) (Jointly Administered)
)

AFFIDAVIT OF PUBLICATION

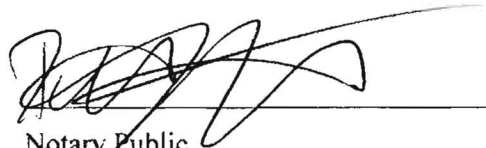
I, Adam B. Levin, being duly sworn, hereby certify that (a) I am Senior Account Executive at Miller Advertising Agency, Inc. and (b) I caused to be published a banner advertisement in *CoinDesk's Valid Points email newsletter* in the issue dated **Wednesday, September 7, 2022**. The advertisement linked those that clicked on it to the full-length Notice of Auction. A copy of the advertisement and full newsletter are annexed..

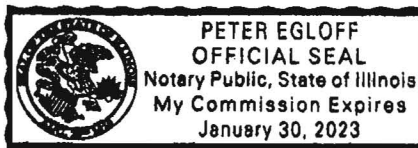
x


(Signature)

Sr. Acct. Exec.
(Title)

Sworn to before me this: 8th day of September, 2022


Notary Public



¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Celsius Network LLC (2148); Celsius KeyFi LLC (4414); Celsius Lending LLC (8417); Celsius Mining LLC (1387); Celsius Network Inc. (1219); Celsius Network Limited (8554); Celsius Networks Lending LLC (3390); and Celsius US Holding LLC (7956). The location of Debtor Celsius Network LLC's principal place of business and the Debtors' service address in these chapter 11 cases is 121 River Street, PH05, Hoboken, New Jersey 07030.

Legal Notice

**NOTICE OF AUCTION FOR THE POTENTIAL SALE
OF CERTAIN OF THE DEBTORS' ASSETS
FREE AND CLEAR OF ANY AND ALL CLAIMS,
INTERESTS, AND ENCUMBRANCES**

In re: CELSIUS NETWORK LLC, et al.

UNITED STATES BANKRUPTCY COURT, SOUTHERN DISTRICT OF NEW YORK
Chapter 11 Case No. 22-10964 (MG)

[Click here to read the full notice](#)

A message from Celsius Network LLC:

Celsius Network LLC, et al., are soliciting offers for the purchase of its GK8 business, a digital asset custody solution, consistent with the bidding procedures approved by the U.S. Bankruptcy Court for the Southern District of New York on September 1, 2022, No. 22-10964 (MG) [Docket No. 687]. All interested bidders should carefully [read](#) the bidding procedures and bidding procedures order. The deadline to submit final bids is September 21, 2022 at 4:00 p.m. ET.

Pulse Check

The following is an overview of network activity on the Ethereum Beacon Chain over the past week. For more information about the metrics featured in this section, check out [our 101 explainer on ETH metrics](#).



September 7, 2022

Valid Points

Breaking down Ethereum's evolution and its impact on crypto markets
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Supported by



[ETH Price](#)
\$1,584.57

[Market Cap](#)
\$190.65B

[Volume \(24H\)](#)
\$21.23B

(As of September 6, 2022 @ 21:46:21 UTC. [ETH price % change over 24 hours.](#))

Welcome to Valid Points!

We've spent the past several weeks of this newsletter wading into deep technical and philosophical debates around future of Ethereum – with topics ranging from maximal extractable value (MEV), to the threat of censorship on Ethereum, to what makes a 'true' zero-knowledge Ethereum Virtual Machine, or zkEVM.

But now, at long last, the Ethereum Merge is finally around the corner. This week, I'd like to take a step back and quickly address a few of the myths and

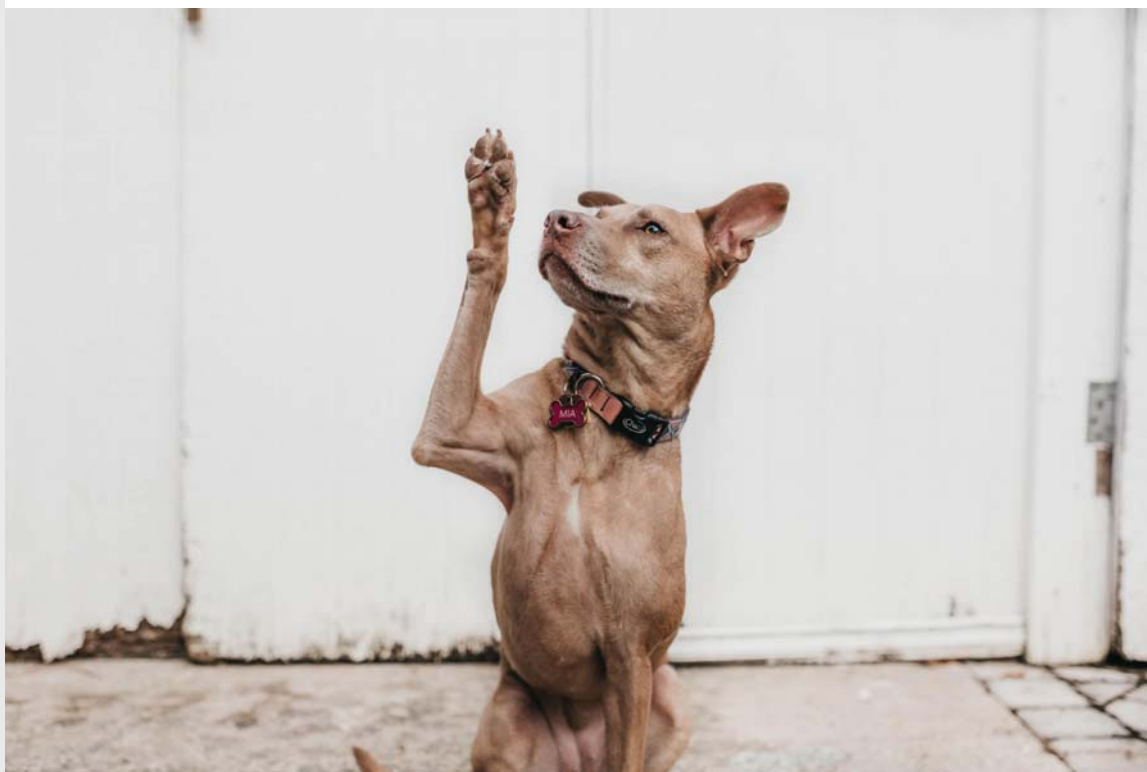
misconceptions that have popped up surrounding the Merge, Ethereum's transition to proof-of-stake scheduled for around Sept. 15.

The high-level questions below are excerpted from [a much longer FAQ](#).

I'd also like to request input from the Valid Points Community. **If you have any questions that are not answered in the FAQ – no matter how technical – please send them along in response to this email.**

– [Sam Kessler](#)

Ethereum Merge FAQ: Everything You Need to Know About the Blockchain's Coming Overhaul



(Camylla Battani/Unsplash)

Will Ethereum fees decrease after the Merge?

No.

Ethereum transaction fees are not expected to change as a result of the Merge. Future network updates, like [danksharding and proto-danksharding](#), may help to address Ethereum's high network fees, but these updates are not expected until 2023 at the earliest.

The main salve for Ethereum's transaction fee woes remains [rollups](#) – third-party networks like Arbitrum and Optimism that bundle transactions and process them separately from Ethereum's mainnet.

Will Ethereum transaction speeds increase after the Merge?

Yes, but barely.

On average, Ethereum blocks are issued [once every 13 or 14 seconds](#) in today's proof-of-work (PoW) system. After the merge, proof-of-stake (PoS) blocks will be issued in regular 12-second intervals. This is not an improvement that most users will notice, and it still places Ethereum behind rival blockchain networks like Solana and Avalanche (though well ahead of Bitcoin, where a new block is mined every [10 minutes on average](#)).

Just like with transaction fees, those looking for improved transaction speeds will need to look to Ethereum's [third-party rollups](#).

Will the Merge increase the price of ether (ETH)?

It's hard to say.

With so many variables and unknowns, it is impossible to predict what will happen to Ethereum's token price as a result of the Merge.

The Ethereum community has for years positioned the Merge as a massive upgrade to the network's core technology. Along with addressing concerns about the network's environmental impact, PoS will introduce a new form of utility for Ethereum's native ether (ETH) token in the form of staking.

But the Merge is not guaranteed to boost the ETH price. The Merge will also introduce changes to the rate at which ether is issued and how it is distributed. These changes could be positive or negative depending upon whom you ask. There is also a risk (however small) that the Merge will fail, or that PoS will prove less secure than PoW.

There is also speculation the Merge has already been priced in by the market.

Is proof-of-stake better than proof-of-work?

There are trade-offs.

According to the Ethereum Foundation, the nonprofit that funds Ethereum ecosystem development, PoS will [cut Ethereum's energy usage](#) by around 99.95%. PoS advocates also argue that PoW mining centralizes control in the hands of those who can afford to buy fancy crypto mining rigs, called ASICs. They say PoS – which hands network control to those who “stake” crypto with the network – makes attacks economically infeasible and self-defeating.

PoW proponents counter that PoS staking carries its own centralization and security risks, making it possible for malicious actors to directly “buy” control of the network. They also point out that PoS is a less battle-tested system than PoW, which has proven resilient as the backbone of the two largest blockchain networks.

[Read the full FAQ here.](#)



Calling all Solidity Sifus! Klaytn's flagship global [virtual hackathon](#) is now open for submission. With over **US\$1 million in prizes** across a prize pool of \$300,000, Sponsors' Challenge bounties, grant funding, and incubation opportunities, this is a hackathon you don't want to miss.

Why build on Klaytn?

- Klaytn is South Korea's dominant blockchain, giving you access to one of Asia's most crypto-savvy nations.
- Ethereum equivalence means building on Klaytn is simple, with the same code and toolings you know and love.
- With 1-second block time and instant finality, Klaytn has one of the lowest transaction latencies in the market.

[Submit a BUIDL on DoraHacks now](#)

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Network Health

Network Participation Rate
Weekly Range

99.62% - 99.75%

Number of Validators

421,760 active + 0.86%
228 pending + 83

Total ETH Deposited

13,536,466 ETH + 0.96%
\$21.28 billion + 2.65%

Share of Total ETH Supply
Deposited

11.24%

*+ and - figures represent weekly changes to these metrics. Data as of
September 6, 2022, 20:41:20 UTC. Source: BeaconScan, Etherscan



Disclaimer: All profits made from CoinDesk's Eth 2.0 staking venture will be donated to a charity of the company's choosing once transfers are enabled on the network.



CoinDesk Validator Health

Historical Activity

127,465 attestations submitted **+ 1,583**

17 blocks proposed ***null**

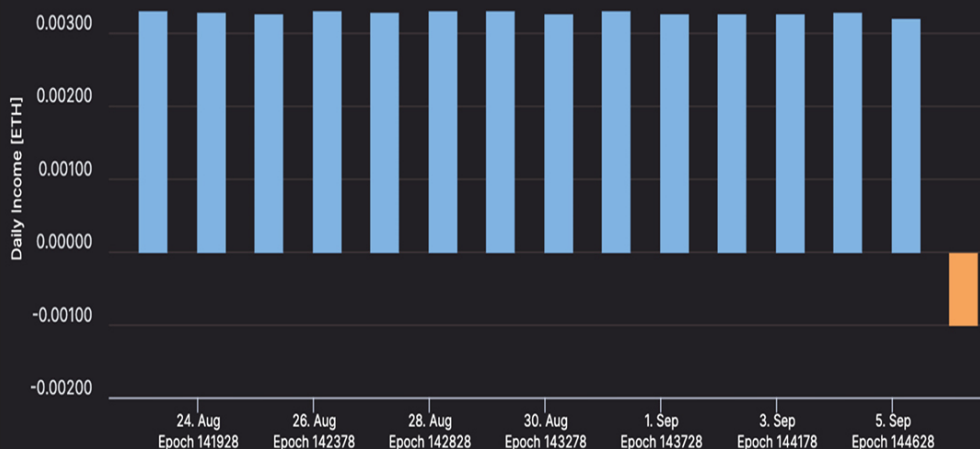
Weekly Revenue

+ 0.02073 ETH (\$32.55)

Estimated APR

4.00%

Daily Income Over the Past Two Weeks



**+ and - figures represent weekly changes to these metrics. Data as of September 6, 2022, 20:41:20 UTC. Source: Beaconcha.in, BeaconScan.*



Validated Takes

Binance to stop supporting USDC.

- **WHY IT MATTERS:** Binance, the issuer of the third-biggest stablecoin and the world's largest cryptocurrency exchange, both by volume, said it will convert all investments in USDC into its Binance USD (BUSD) token on Sept. 29. After the date, customers transferring their USDC to Binance will see the tokens be automatically converted into Binance's stablecoin. However, customers will be able to withdraw money denominated in USDC. USDC's \$52 billion market value leads BUSD's \$19 billion. [**Read more here.**](#)

The Merge is officially underway.

- **WHY IT MATTERS:** Activated on Tuesday, the Bellatrix upgrade is the network's final "hard fork" before the Merge. The activation of the Bellatrix upgrade on the Ethereum blockchain triggers the beginning of the Merge, which will likely be completed sometime around Sept. 13-16. It prepares Ethereum's proof-of-stake Beacon Chain – also called its Consensus layer – for a Merge with Ethereum's mainnet Execution layer. [**Read more here.**](#)

Aave stopped loaning ETH ahead of the Merge.

- **WHY IT MATTERS:** Between Aug. 30 and Sept. 2, the Aave community overwhelmingly voted to stop loaning ether, setting aside democratized finance's free market principle to mitigate protocol-wide risks that may arise from crypto traders betting on the Merge, Ethereum blockchain's upcoming technological overhaul. "Ahead of the Ethereum Merge, the Aave protocol faces the risk of high utilization in the ETH market. Temporarily pausing ETH borrowing will mitigate this risk of high utilization," the proposal highlighted by research firm Block Analitica said. [**Read more here.**](#)

Factoid of the Week



Attestation rule offense is the most common reason
an Ethereum validator is slashed, penalized and
forced into an "exited" state.



BEST UNIVERSITIES FOR BLOCKCHAIN

2022 RANKINGS

Which Schools Are Impacting Blockchain?

Take Our Survey by Sept. 7

TAKE SURVEY

Which institutes are most impacting the blockchain world? Tell us your thoughts in a five-minute survey. We're welcoming responses until Sept. 7. [Take the survey.](#)

Open Comms

Valid Points incorporates information and data about CoinDesk's own Eth 2.0 validator. All profits made from the staking venture will be donated to a charity of our choosing once transfers are enabled on the network. For a full overview of the project, check out [our announcement post](#).

You can verify the activity of the CoinDesk Eth 2.0 validator in real time through our public validator key, which is 0xad7fef3b2350d220de3ae360c70d7f488926b6117e5f785a8995487c46d323ddad0f574fdcc50eeefec34ed9d2

Search for it on any Ethereum block explorer site!



Valid Points

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